

Michigan

Come Grow With Us



www.michigan.gov/mda

The Michigan Advantage

Abundant resources. Moderate climate. Michigan has a natural competitive edge when it comes to creating a bio-based economy. Add an established scientific and manufacturing infrastructure and overwhelming public policy support, and there's no question why bioeconomy companies are locating in Michigan.

Some of the most valued crops, companies, brands and business practices in the United States claim Michigan as their home. Here's what companies like yours have discovered:

-  **Safety.** Michigan protects food from farm to fork. Carver's risk assessment for grain, seed and other commodities gives Michigan a low risk rating because of our stringent safeguards.
-  **Quality.** Michigan can trace ingredients back to their sources, preserving product identity through the production and distribution chain.
-  **Environment.** Michigan boasts an unsurpassed availability of fresh water, a moderate climate and a wide variety of soils.
-  **Transportation.** Michigan's national and international transportation network allows shipment via truck, rail, air and water.
-  **Real estate.** Michigan's land prices and cost of living are competitive.
-  **Public policy.** Michigan's academic and government institutions provide a favorable environment for agricultural production, research and development.
-  **Location.** Michigan is located within 500 miles of half of North America's population/income and near important hubs like Toledo and Chicago. Michigan also boasts one of the busiest international border crossings in the nation.

*"Michigan is committed
to cultivating an economic climate
that allows all business
to prosper."*

Jennifer M. Granholm
Governor, State of Michigan



The Competitive Edge

Michigan's highly skilled workforce, competitive tax and business climate, and excellent quality of life make the Great Lakes state primed for growth. No other state in the nation has welcomed more new business development and expansion projects than Michigan in the past eight years. Michigan offers incentives for companies relocating to the state and those that choose to grow and expand here, paving the way for Michigan's economic future.

21st Century Jobs Fund

- More than \$2 billion invested in public and private funds.
- Increases amount of capital available to Michigan companies.
- Funds used to develop new sectors: Advanced manufacturing; Homeland security and defense; Life sciences; and Alternative energy.
- Tens of thousands of new jobs.

Brownfield Redevelopment

- More than \$273 million in credits awarded to businesses since June 2000.
- More than \$3.8 billion of private investment in Michigan's older communities and suburbs.
- Buyers and lenders are protected from liability under Michigan law.

Tax Incentives

- Tax credits to promote high quality economic growth and job creation have generated more than \$11.5 billion in private investment and created nearly 120,000 jobs since 1995.
- Property tax abatement available to renovate/expand aging manufacturing plants or to build new plants.
- Personal property tax abatement available to eligible distressed communities to spur economic development.
- Obsolete property rehabilitation tax abatement for property owners, buyers, developers, lenders and local units of government in eligible distressed areas to promote redevelopment.

Michigan SmartZonesSM

- Stimulate the growth of technology-based new and emerging businesses and jobs in concentrated areas of the state.
- Primarily focused on commercializing ideas, patents, and other opportunities surrounding corporate, university or private research institute R&D efforts.

Michigan's Transportation Infrastructure

- 18 national/international airports throughout the state
- Toll-free highways
- 29 Railroads currently operating on nearly 4,000 miles of rails
- 39 Commercial cargo ports
- Some of the world's longest freight carriers operate on the Great Lakes.



The Michigan Renaissance

Agricultural Processing Renaissance Zones

The first of its kind in the nation, the Renaissance Zone program encourages development by making select areas virtually free of state and local taxes for businesses located there. The program includes Agricultural Processing Renaissance Zones (APRZs) for specific companies (rather than locations). Since their inception, APRZs have created 1,169 new jobs, retained 390 jobs, and generated \$547.5 million in new capital investment.

Zeeland Farm Services, LLC APRZ Success Story:

- Soybean oil refinery and bleaching plant opened in 2003, generating 30 new jobs and retaining 35 others.
- \$4 million capital investment.
- Produces "Select Oil", a food-grade soybean cooking oil.
- Soybean processing plant powered by 100 percent renewable landfill gas sources.

Source: Michigan Economic Development Corporation

Subterra, LLC
\$22 million
125 jobs

Heartland Ingredients, LLC
\$2 million
18 jobs.

Graceland Fruit, Inc.
\$15 million
45 jobs

Gray & Company
\$8.3 million
150 jobs

Peterson Farms
\$15 million
225 jobs

Leprino Foods Company
\$85 million
53 jobs

Zeeland Farm Services, LLC
\$4 million
30 jobs

Superior Corn Products, LLC
\$55 million
33 jobs

Chase Farms
\$21 million
55 jobs

New Era Canning
\$5 million
40 jobs

Kellogg/Keebler Company
\$35 million
390 jobs retained
43 new jobs

Marysville Ethanol, LLC
\$95 million
30 jobs

Sunny Fresh
\$22 million
30 jobs

**The Anderson's
Albion Ethanol, LLC**
\$70 million
30 jobs

Kellogg Company
\$3.2 million
200 jobs

Great Lakes Ethanol, LLC
\$90 million
62 jobs

Michigan's Bio Basics

Michigan's agri-food system is valued at \$60.1 billion and supports 1.05 million jobs annually. Agri-food system infrastructure investments totalled \$8.6 billion in the last five years. Michigan produces over 200 commodities on a commercial basis, second in the nation for diversity.

Michigan's Agricultural Sector (53,000 farms)

Economic value of production (avg. 2002-2004)

- \$2.5 billion field crops
- \$2.4 billion livestock/dairy
- \$918 million floriculture/ornamentals/turfgrass
- \$435 million vegetables
- \$383 million fruits

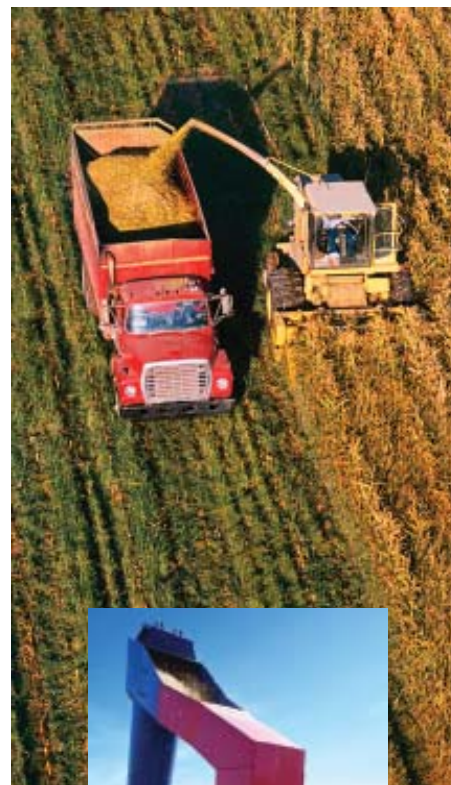
Exports

- \$919 million generated through exporting (2004), including:
 - \$201.5 million soybeans and products
 - \$191.4 million feed grains and products
 - \$23.7 million processed feed

Inputs and supplies

- \$293.2 million for fertilizer and lime
- \$246.6 million for pesticides
- \$177.4 million for petroleum fuels and oil
- \$460.4 million for feed purchased
- 20% of capital investment self-financed by producers

Source: National Agricultural Statistics Service
MSU Product Center for Agriculture & Natural Resources



A Bio New World

Michigan has a strong foundation for an emerging bio-based economy. Public/private initiatives, including the 21st Century Jobs Fund, are yielding great partnerships, research, products and prospects for the Great Lakes state.

At the heart of Michigan's economic transformation is a robust agriculture industry. Experts predict that our \$60.1 billion agri-food industry will continue to expand over the next three to five years. With powerful engineering, R&D services--and more than 360 world-class laboratories and educational institutions statewide--Michigan's agriculture industry is ripe with opportunity.

Fueling the Future

Michigan is committed to driving energy independence and reducing greenhouse gas emissions through alternative energy production.



Biodiesel

A recent study confirms that Michigan's current soybean production and biodiesel demand can support biodiesel manufacturing plants in the state. Already, one biodiesel plant will be in operation this spring, with a production capacity of 10 million gallons per year. An additional plant is under construction, with two more proposed.

Ethanol

Michigan has one corn-to-ethanol plant in operation and four more underway. All are in the range of generating 50 million gallons per year.

Growing New Technologies

Michigan is playing an exciting role in biotech--from theory to research, from practical application to full-scale manufacturing. For example, succinic acid--a building block for pharmaceuticals, nutraceuticals, polyesters and polyurethane--will soon be produced through fermentation of corn and sugarbeet biomass in a Michigan facility. More and more, bio-based inputs are replacing petroleum and non-renewables in fuel additives, industrial chemicals, heat/power sources, textiles, polymers, lubricants, adhesives, automotive bio composites, fertilizers, building materials, and much more.



Quality of Life

With the longest freshwater shoreline in the world, our state offers scenic beauty, cultural richness, and recreational amenities, including more public golf courses per capita and more boat registrations than any other state.

Michigan offers an excellent education. Our post-secondary schools score among the best in the nation, and are recognized world-wide for their research. Michigan has 15 four-year universities, more than 50 independent colleges, universities and institutes, and 29 two-year community colleges, allowing us to compete effectively in the 21st century job market.



*Michigan is a great place
to live, work and play.*



Michigan by the Numbers

#1 in international automotive R&D

#1 in U.S. private R&D spending

#1 in U.S. automotive engineers

#1 in U.S. automotive suppliers

#1 fastest growing life sciences industry in the U.S.

#2 in U.S. in new capital investment

#2 in U.S. in corporate facilities, expansions

#3 in U.S. in international capital investment

#4 largest high-tech workforce in nation

#5 in U.S. nanotechnology

#5 friendliest state for small business

Source: Michigan Economic Development Corporation

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